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The state has no benefit of "before tax" payment of this sort of thing but it is also going to be the first stepping stone to a demand that the school boards pay directly to a teacher's account 3 1/2%. I think with our OAB pension plan going up annually, that the local communities would just as soon we did not do them this favor.

PRESIDENT: Mr. Clerk.

CLERK: Mr. President, in regard to the fiscal notes, what we have worked out with the fiscal analyst is that they were going to update all fiscal notes from last year, many of which have changed since the original fiscal notes were issued due to the passing of a fiscal year. So as soon as the new fiscal notes are available, they will be inserted in your books so that they are more current than the ones we had last year.

PRESIDENT: Senator George.

SENATOR GEORGE: Mr. President, I have a question for Senator Lewis.

SENATOR F. LEWIS: Yes.

SENATOR GEORGE: Would you see any difference between this bill which establishes, obviously, a retirement system for teachers. It doesn't establish it but it changes it somewhat. Would you see any difference between this one and the recent legislation at the federal level that makes it possible for other people to establish retirement systems tax sheltered at the banks.

SENATOR F. LEWIS: It is exactly the same principle in terms of taking money and sheltering it. Anybody that has got a tax sheltered annuity, anybody that has got a municipal bond, revenue bonds, which I understand we are going to have a bill on, those again are for tax purposes. While I am here, Senator George, may I comment on the fiscal note that I have?

SENATOR GEORGE: Yes, go ahead.

SENATOR F. LEWIS: I think that was very interesting the way that that was drawn up. The six million dollars that Senator Murphy is talking about is if the school districts would pay all the retirement for all the teachers, which I would assume would be done with a six million dollar decrease in terms of salary but it is a trade off as far as that is concerned. Let me make one other point very clear. This is not mandating to the local districts they must do this. It is permissive, it allows them to do it. They cannot do it now. There have been school districts that wanted to do this and they cannot do it because where the law is silent they do not have permission to act. I think that the fiscal note in terms of costing six million dollars to the local certainly is not a fair one. It has no impact. School districts do not have to participate, if they do not want to. #2, if